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File

TORONTO STOCK EXCHANGE TORONTO

BULLETIN NO. 5242

August 6th, 1964

ROMFIELD BUILDING CORPORATION LIMITED
(presently known as Buffalo Ankerite Holdings Limited)

An application has been granted to list the common shares of the above-named company on the industrial list and such shares will be transferred from that of a mining/oil listing to that of an industrial listing effective Tuesday, August 11th. Ticker Abbreviation "RMF"; Post Section 3.5; Dial Ticker Number 2265. Trading regulations for industrial companies will apply.

Listing Statement No. 2172 is being prepared and will be available in the near future.

The following is some of the information that will be included in the Listing Statement.

Incorporated under the laws of Ontario, October 5th, 1932.

Head Office - 333 Wilson Avenue, Toronto, Ontario.

Transfer Agents and Registrars - The Premier Trust Company, Toronto, and the Liberty National Bank & Trust Company, Buffalo, New York.

Officers -

- | | |
|---|--|
| President | - David Romberg, Toronto, Ont. |
| Executive Vice-President | - Samuel Donnenfield, Toronto, Ont. |
| Vice-President in charge of Sales and Treasurer | - George Donnenfield, Toronto, Ont. |
| Vice-President | - Garson Reiner, Irvington-on-the-Hudson, New York |
| Vice-President | - Benjamin Clifford Wheeler, New York 16, N.Y. |
| Secretary | - Carl M. Solomon, Toronto, Ont. |
| Assistant Secretary | - Harry Romberg, Toronto, Ont. |
| Mine Manager | - R.A. Vari, South Porcupine, Ont. |

Directors - David Romberg, Samuel Donnenfield, George Donnenfield, Garson Reiner, Benjamin Clifford Wheeler, Carl M. Solomon, Harry Romberg and the following:

- Harry Louis Solomon, Toronto, Ont.
Joseph H. Gayne, Toronto, Ont.

Capitalization

<u>Share Capital</u>	<u>Authorized</u>	<u>Issued and Outstanding</u>	<u>To Be Listed</u>
Shares without par value - - - - -	3,000,000	1,647,500	1,647,500

Funded Debt

6% First Floating Charge Debentures - -	\$500,000	\$300,000	Nil
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Escrowed shares - None

Underwritings and/or Options - None

Funded Debt - The company's funded debt consists of:

(a) Description of issue	Aggregate Amount Authorized	Principal Amount Outstanding	Maturity Dates	Interest Dates
6% First Floating Charge Debentures	\$500,000	\$300,000	\$100,000 principal amount falls due and is payable on the 23rd days of January in each of the years 1965, 1966 and 1967.	January 23 and June 23.

(b) Security

The 6% convertible debentures, in the opinion of counsel, are secured by a first floating charge under the laws of the Province of Ontario on the undertaking and all the property and assets of the company now owned or hereafter acquired.

(c) By agreement dated December 16th, 1963, the company sold its remaining shares in the Standard Bank (Zurich) Switzerland. As part of the purchase price therefor, the purchaser agreed to pay the 6% First Floating Charge Debentures in the aggregate principal amount of \$300,000 maturing at the rate of \$100,000 per annum on the 23rd days of January in each of the years 1965, 1966 and 1967 and further agreed to pay interest on the said Debentures from January 23, 1964, until their respective maturity dates.

History and Nature of Business - The company was incorporated under the laws of Ontario in 1932 as Buffalo Ankerite Gold Mines Limited. In 1962 the name was changed to Buffalo Ankerite Holdings Limited. On June 4th, 1964, the shareholders of the company confirmed a special resolution of the directors authorizing an application for Supplementary Letters Patent to change the name to Romfield Building Corporation Limited.

From the date of its incorporation until 1953, the company carried on gold mining operations at its mining properties in South Porcupine, Ontario. In January of 1953 the mining operations of the company were discontinued. From 1953 until 1962 the company actively engaged and/or participated in mineral exploration programs in an effort to discover mining properties of economic interest and participated with other companies in oil exploration programs.

In January of 1962, the company acquired all the issued and outstanding capital stock of Standard Bank of Zurich, Switzerland, and subsequently sold all of its interest in the said Bank in December, 1963.

In January, 1963, the company acquired all the issued and outstanding shares in the capital stock of a number of actively operated private construction companies owning land in various stages of development, as well as apartment buildings, in Metropolitan Toronto. In March of 1963 the company acquired all the issued and outstanding capital stock of three private companies owning acreage in Metropolitan Toronto suitable for construction of house rental units. All of these companies are now referred to as the "Romfield Building Corporation".

With the acquisition of Romfield Building Corporation, the company, in 1963, decided to concentrate all its efforts in the construction industry in Canada. The company is currently engaged in three different phases of real estate activity. It owns, builds and manages apartment buildings and town houses from which rental income is derived; it develops and subdivides land for construction for sale by it of family dwelling units; and it sells fully serviced building lots on lands it has developed and promoted. In 1963 Romfield Building Corporation built 260 houses for sale and approximately 320 rental units in Metropolitan Toronto, and Montreal. The company proposes to construct approximately 320 houses for sale and 1,000 rental units, at various developments in Metropolitan Toronto, Montreal and Ottawa in 1964.

Subsidiary Companies - The following companies all incorporated under the laws of Ontario as private companies are wholly-owned subsidiaries:

- Hassa Limited
- September Realty Limited
- Sundance Realty Limited
- Brightdale Realty Limited
- Guemel Realty Limited
- Garcourt Construction Limited
- Linville Realty Limited
- Davros Limited
- Bowmile Holdings Limited
- November Realty Limited
- July Realty Limited
- Medway Development Limited
- Rushlea Development Limited
- Donwood Construction Limited
- Freeborn Development Limited
- Ritwell Development Limited
- Dorcot Development Limited
- Sadda Limited
- Double D Building Products Limited
- Pomeroy Realty Limited
- Ariston Construction Company Limited
- Samdon Holdings Limited
- Pennfield Holdings Limited

All of these companies comprise the Romfield Building Corporation division of the company and were incorporated to engage in the real estate development and construction business.

Romdon Estates Limited is a company incorporated under the laws of Ontario which is engaged in real estate development and is the owner of approximately 350 acres of land in the Township of Vaughan in the County of York. Its authorized capital is 9,000 preference shares of \$10.00 par value each, none of which are issued and 10,000 common shares without par value, of which of 100 are issued. The company is the owner of 50 of the said common shares.

MacKay Lake Gold Mines Limited is an inactive company incorporated under the laws of Ontario on July 25th, 1936, with an authorized capital of 1,000,000 shares of \$1 par value each, all of which are issued. The company is the owner of 959,246 of the said issued shares.

Sheadore Gold Mines Limited is an inactive company incorporated under the laws of Ontario, December 17th, 1936, with an authorized capital of 1,000,000 shares of \$1 par value each of which all are issued. The company is the owner of 999,993 of the issued shares.

Tisdale-Ankerite Mines Limited is an inactive company incorporated under the laws of Ontario, August 29th, 1952, with an authorized capital of 1,000,000 shares all of which have been issued. The company is the owner of 666,662 of the issued shares.

Properties - Except for the inactive mining properties owned by the company in South Porcupine, Ontario, the company is a holding company and actually owns no property.

Dividend Record - During the past ten years the company has not paid any dividends on its shares.

Net profit for the year ended December 31st, 1963 - \$358,746

BY ORDER OF THE BOARD OF GOVERNORS

H.D. GRAHAM
President

THE TORONTO STOCK EXCHANGE

ROMFIELD BUILDING CORPORATION
LIMITED

Incorporated under the laws of the Province of Ontario

by Letters Patent dated December 3, 1913

SHARE CAPITAL	Authorized	Issued	Unissued
Shares without par value	1,000,000	1,000,000	1,000,000
Preferred shares	250,000	250,000	Nil

Preferred Building Corporation Limited, a corporation of the Province of Ontario, has applied to the Toronto Stock Exchange for the listing of 1,000,000 shares of its common stock, each share having a par value of \$1.00, and for the listing of 250,000 shares of its preferred stock, each share having a par value of \$1.00.

This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

LISTING STATEMENT No. 2172

LISTED AUGUST 11, 1964
1,647,500 shares without par value
Ticker abbreviation "RMF"
Dial ticker number 2265
Post section 8.5

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

ROMFIELD BUILDING CORPORATION
LIMITED

Incorporated under the Laws of the Province of Ontario
by Letters Patent dated October 5, 1932

SHARES WITHOUT PAR VALUE

CAPITALIZATION

(as at June 10th, 1964)

SHARE CAPITAL	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Shares without par value.....	3,000,000	1,647,500	1,647,500
FUNDED DEBT			
6% First Floating Charge Debentures.....	\$500,000	\$300,000	Nil

June 10th, 1964

1. APPLICATION

Romfield Building Corporation Limited (hereinafter called the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 1,647,500 shares without par value in the capital stock of the Company, all of which 1,647,500 shares have been issued and are outstanding as fully paid and non-assessable.

The Company was incorporated under the laws of the Province of Ontario in 1932 as Buffalo Ankerite Gold Mines Limited. In 1962 the Company's name was changed to Buffalo Ankerite Holdings Limited. On June 4th, 1964, the shareholders of the Company confirmed a special resolution of the Directors of the Company authorizing an application by the Company for Supplementary Letters Patent to change the name of the Company to Romfield Building Corporation Limited.

From the date of its incorporation until 1953, the Company carried on gold mining operations at its mining properties in South Porcupine, Ontario. In January of 1953 the mining operations of the Company were discontinued. From 1953 until 1962 the Company actively engaged and/or participated in mineral exploration programs in an effort to discover mining properties of economic interest and participated with other companies in oil exploration programs.

In January of 1962, the Company acquired all the issued and outstanding capital stock of Standard Bank of Zurich, Switzerland, and subsequently sold all of its interest in the said Bank in December, 1963.

In January, 1963, the Company acquired all the issued and outstanding shares in the capital stock of a number of actively operated private construction companies owning land in various stages of development, as well as apartment buildings, in Metropolitan Toronto. In March of 1963 the Company acquired all the issued and outstanding capital stock of three private companies owning acreage in Metropolitan Toronto suitable for construction of house rental units. All of these companies are now referred to as the "Romfield Building Corporation."

With the acquisition of Romfield Building Corporation, the Company, in 1963, decided to concentrate all its efforts in the construction industry in Canada. The Company is currently engaged in three different phases of real estate activity. It owns, builds and manages apartment buildings and town houses from which rental income is derived; it develops and subdivides land for construction for sale by it of family dwelling units; and it sells fully serviced building lots on lands it has developed and promoted. In 1963 Romfield Building Corporation built 260 houses for sale and approximately 320 rental units in Metropolitan Toronto, and Montreal. The Company proposes to construct approximately 320 houses for sale and 1,000 rental units, at various developments in Metropolitan Toronto, Montreal and Ottawa in 1964.

3.

INCORPORATION AND CAPITAL CHANGES

The Company was incorporated under the laws of the Province of Ontario by Letters Patent dated October 5th, 1932, as Buffalo Ankerite Gold Mines Limited with an authorized capital of 1,000,000 shares at a par value of \$1.00 each.

Supplementary Letters Patent were issued to the Company on April 15th, 1936, providing for the issue of share warrants by the Company.

Supplementary Letters Patent were issued to the Company on February 5th, 1962, making the Company not subject to Part IV of The Corporations Act, 1960 (Ontario); redesignating the 1,000,000 shares of the Company with a par value of \$1.00 each as 1,000,000 shares without par value and increasing the authorized capital of the Company by creating an additional 2,000,000 shares without par value ranking on a parity with the 1,000,000 designated as without par value; and extending the objects of the Company.

Supplementary Letters Patent were issued to the Company on September 27th, 1962, changing the name of the Company from Buffalo Ankerite Gold Mines Limited to Buffalo Ankerite Holdings Limited.

Supplementary Letters Patent were issued to the Company on July 21st, 1964, changing the name of the Company from Buffalo Ankerite Holdings Limited to Romfield Building Corporation Limited.

4.

SHARES ISSUED DURING PAST TEN YEARS

The Company has issued the following shares during the past ten years:

- (a) 560,000 shares allotted and issued as fully paid and non-assessable in January, 1963, as full consideration for the acquisition by the Company of twenty private construction companies, the aggregate equity of which was determined by the Directors of the Company to be \$1,000,000.
- (b) 90,000 shares allotted and issued as fully paid and non-assessable in February, 1963, as full consideration for the acquisition by the Company of all the issued and outstanding capital stock of three private construction companies. The Directors of the Company determined the equity of the said three private companies to be \$160,200.

5.

STOCK PROVISIONS AND VOTING POWERS

Each share carries one vote at all meetings of the shareholders.

6.

DIVIDEND RECORD

During the past ten years the Company has not paid any dividends on its shares.

7.

RECORD OF PROPERTIES

Save and except for the inactive mining properties owned by the Company in South Porcupine, Ontario, the Company is a holding company and actually owns no property.

The following companies, all duly incorporated under the laws of the Province of Ontario, as private companies, are wholly owned subsidiaries of the Company:

Hassa Limited
 September Realty Limited
 Sundance Realty Limited
 Brightdale Realty Limited
 Guemel Realty Limited
 Garcourt Construction Limited
 Linville Realty Limited
 Davros Limited
 Bowmile Holdings Limited
 November Realty Limited
 July Realty Limited
 Medway Development Limited
 Rushlea Development Limited
 Donwood Construction Limited
 Freeborn Development Limited
 Ritwell Development Limited
 Dorcot Development Limited
 Sadda Limited
 Double D Building Products Limited
 Pomeroy Realty Limited
 Ariston Construction Company Limited
 Samdon Holdings Limited
 Pennfield Holdings Limited

All of the aforesaid companies comprise the Romfield Building Corporation division of the Company, and were incorporated to engage in the real estate development and construction business.

Romdon Estates Limited is a Company incorporated by Letters Patent under the laws of the Province of Ontario. The nature of the business of Romdon Estates Limited is that of real estate development and the Company is the owner of approximately 350 acres of land at the intersection of Highways Nos. 400 and 7 in the Township of Vaughan, in the County of York. The authorized capital of Romdon Estates Limited consists of 9,000 Preference Shares of a par value of \$10.00 each, none of which are issued, and 10,000 Common Shares without par value, of which 100 are issued and outstanding as fully paid and non-assessable. The Company is the owner of 50 of the said issued and outstanding Common Shares of Romdon Estates Limited.

MacKay Lake Gold Mines Limited was incorporated under the laws of the Province of Ontario by Letters Patent dated July 25th, 1936, with an authorized capital of 1,000,000 shares with the par value of \$1.00 each, all of which shares have been issued as fully paid and non-assessable. The Company is the owner of 959,246 of the said issued shares. MacKay Lake Gold Mines Limited is now an inactive company.

Sheadore Gold Mines Limited was incorporated under the laws of the Province of Ontario on December 17th, 1936, with an authorized capital of 1,000,000 shares with a par value of \$1.00 each, all of which shares have been issued as fully paid and non-assessable. The Company is the owner of 999,993 of the said issued shares. Sheadore Gold Mines Limited is now an inactive company.

Tisdale-Ankerite Mines Limited was incorporated under the laws of the Province of Ontario by Letters Patent dated the 29th day of August, 1952, with an authorized capital of 1,000,000 shares without par value, all of which shares have been issued as fully paid and non-assessable. The Company is the owner of 666,662 of the said issued shares. Tisdale-Ankerite Mines Limited is now an inactive company.

FUNDED DEBT

The Company's funded debt consists of:

(a)	DESCRIPTION OF ISSUE	AGGREGATE AMOUNT AUTHORIZED	PRINCIPAL AMOUNT OUTSTANDING	MATURITY DATES	INTEREST DATES
	6% First Floating Charge Debentures	\$500,000	\$300,000	\$100,000 principal amount falls due and is payable on the 23rd days of January in each of the years 1965, 1966 and 1967	January 23 and June 23

(b) SECURITY

The 6% convertible debentures, in the opinion of counsel, are secured by a first floating charge under the laws of the Province of Ontario on the undertaking and all the property and assets of the Company now owned or hereafter acquired.

(c) By Agreement dated December 16th, 1963, the Company sold its remaining shares in the Standard Bank (Zurich) Switzerland. As part of the purchase price therefor, the purchaser agreed to pay the 6% First Floating Charge Debentures in the aggregate principal amount of \$300,000 maturing at the rate of \$100,000 per annum on the 23rd days of January in each of the years 1965, 1966 and 1967 and further agreed to pay interest on the said Debentures from January 23, 1964, until their respective maturity dates.

10. OPTIONS, UNDERWRITINGS, ETC.

There are no outstanding options, underwritings, sale agreements, or other contracts or agreements of a like nature with respect to any unissued shares or any issued shares held for the benefit of the Company, save and except that the 6% First Floating Charge Debentures of the Company are convertible, prior to their respective maturity dates, into 20,000 fully paid and non-assessable shares of the Company for each \$100,000 principal amount of Debentures outstanding.

11. LISTING ON OTHER STOCK EXCHANGES

The shares of the Company are currently listed on the mining index of The Toronto Stock Exchange. There are no securities of the Company listed on any other Stock Exchange.

12. FISCAL YEAR

The fiscal year of the Company ends on December 31st of each year.

13. ANNUAL MEETINGS

The By-laws of the Company provide that the Annual Meeting of the Company shall be held at the head office of the Company or elsewhere on such date as the Directors may determine. The last Annual Meeting of the Company was held on the 4th day of June, 1964.

14. HEAD AND OTHER OFFICES

The head office of the Company is located at 333 Wilson Avenue, Toronto, Ontario, Canada. The Company also maintains an office at Suite 2312, 44 King Street West, Toronto, Ontario, and at its mining properties in South Porcupine, Ontario.

15. TRANSFER AGENT AND REGISTRAR

The transfer agents and registrars of the Company are:
The Premier Trust Company, 19 Richmond Street West, Toronto, Ontario.
Liberty National Bank & Trust Company, Main and Court Streets, Buffalo, New York.

16. TRANSFER FEE

No fee is charged on stock transfers other than the customary Government stock transfer taxes.

17. AUDITORS

The Auditors of the Company are:
Messrs. William Eisenberg & Company, Chartered Accountants, 425 University Avenue, Toronto, Ontario.

18. OFFICERS

The Officers of the Company are:

NAME	OFFICE	HOME ADDRESS
David Romberg	President	20 Shallmar Boulevard, Toronto, Ontario
Samuel Donnenfield	Executive Vice-President	42 Heathdale Road, Toronto, Ontario
George Donnenfield	Vice-President in charge of Sales and Treasurer	20 Shallmar Boulevard, Toronto, Ontario
Garson Reiner	Vice-President	East Sunnyside Lane, Irvington-on-the-Hudson, New York
Benjamin Clifford Wheeler	Vice-President	385 Fifth Avenue, New York 16, N.Y.
Carl M. Solomon	Secretary	507 Atlas Avenue, Toronto, Ontario
Harry Romberg	Assistant Secretary	1639 Bathurst Street, Toronto, Ontario
R. A. Vari	Mine Manager	South Porcupine, Ontario

DIRECTORS

The Directors of the Company are:

NAME	HOME ADDRESS
David Romberg	20 Shallmar Boulevard, Toronto, Ontario
Samuel Donnenfield	42 Heathdale Road, Toronto, Ontario
George Donnenfield	20 Shallmar Boulevard, Toronto, Ontario
Garson Reiner	East Sunnyside Lane, Irvington-on-the-Hudson, New York
Benjamin Clifford Wheeler	385 Fifth Avenue, New York 16, N.Y.
Carl M. Solomon	507 Atlas Avenue, Toronto, Ontario
Harry Romberg	1639 Bathurst Street, Toronto, Ontario
Harry Louis Solomon	26 Dunloe Road, Toronto, Ontario
Joseph H. Gayne	207 Searle Avenue, Toronto, Ontario

CERTIFICATE

Pursuant to a resolution passed by its Board of Directors, Romfield Building Corporation Limited (Buffalo Ankerite Holdings Limited) hereby applies for listing of the above-mentioned securities on The Toronto Stock Exchange, and the undersigned officers hereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

ROMFIELD BUILDING CORPORATION LIMITED
(BUFFALO ANKERITE HOLDINGS LIMITED)



Per: "DAVID ROMBERG," President
"CARL M. SOLOMON," Secretary

FINANCIAL STATEMENTS

BUFFALO ANKERITE HOLDINGS LIMITED And its Wholly-owned Subsidiary Companies (Note 1)

CONSOLIDATED BALANCE SHEET

as at December 31, 1963

ASSETS

Accounts Receivable.....	\$	119,997	
Mortgages Receivable.....		106,592	
Agreements for Sale (Note 2)		1,503,200	
Mortgage Draws due on Houses Sold.....		265,967	
Real Estate held for Sale (at cost)			
—houses under construction.....	\$1,861,316		
—serviced land.....	844,673		
—unimproved land.....	4,042,251		
—rental properties at cost less accumulated depreciation of \$30,476 (Note 3).....	4,350,676	11,098,916	
Advances to Directors.....		22,451	
Short Term Investments (Market Value—\$975,260) (Notes 7 & 9).....		515,400	
Notes Receivable (Note 9).....		48,000	
Prepaid Expenses and Sundry Assets.....		209,094	
Participation in Oil and Gas Leaseholds (approximately 20%)—at cost to date (Note 6).....		201,570	
Romdon Estates Limited—at cost			
—Convertible Notes Receivable (6%).....	\$	50,000	
—50 Common Shares (50% interest).....		50	50,050
Mining Subsidiaries (Note 4)			
—Shares, at cost.....	\$	193,555	
—Advances, after deduction of reserve for unpaid charges.....		5,748	199,303
Equipment and Leasehold Improvements at cost less accumulated depreciation of \$37,396 (Note 3).....		87,377	
Mining Properties—as valued by the Board of Directors in 1932, with additions at cost (Note 3).....		1,158,728	
—Buildings, Machinery and Equipment—at nominal value (Note 3)....		1	
Excess of Cost over Book Value of Shares in the Wholly-owned Subsidiaries (Note 1).....		998,318	
Mine Stores—at cost less amounts written off.....		4,664	
Incorporation Expenses.....		6,632	
			<u>\$16,596,260</u>

LIABILITIES

Bank Loans—secured.....				\$ 1,011,000
Bank Overdrafts (net).....				89,956
Accounts Payable (Note 8).....				2,575,828
Mortgages Payable—real estate held for sale (current portion).....				305,180
Loans Payable.....				1,280,445
6% First Floating Charge Debentures				
—payable in U.S. Funds (current portion) (Note 10).....				100,000
Mortgages Payable—real estate held for sale.....				7,644,346
Loans Payable—Canadian Funds.....	\$	41,000		
—U.S. Funds.....		50,000		91,000
6% First Floating Charge Debentures				
—payable in U.S. Funds (Note 10).....	\$	400,000		
LESS: Current Portion.....		\$100,000		
Payable by purchaser of shares of the Exchange and and Investment Bank (Note 9).....		300,000	400,000	—
TOTAL LIABILITIES.....				<u>\$13,097,755</u>

SHAREHOLDERS' EQUITY

CAPITAL STOCK (Notes 1 & 10)

Authorized—3,000,000 shares without par value.

Issued

997,500 shares at December 31, 1962.....	\$	997,500
560,000 shares issued for Romfield Building Corporation (Note 1).....		1,000,000
90,000 shares issued for Northbrook Town and Country (Note 1).....		160,200
<u>1,647,500 shares at December 31, 1963.....</u>	\$	<u>2,157,700</u>
Contributed Surplus—arising from premiums received, less discount on shares.....		413,597
Retained Earnings—per statement attached.....		927,208
	\$	<u>3,498,505</u>
		<u>\$16,596,260</u>

(Contingent Liability—Note 9)

Approved on behalf of the Board:

“D. ROMBERG,” Director

“S. DONNENFIELD,” Director

BUFFALO ANKERITE HOLDINGS LIMITED
And its Wholly-owned Subsidiary Companies (Note 1)

CONSOLIDATED STATEMENT OF EARNINGS
For the Year Ended December 31, 1963

INCOME

Sales—residential houses and developed land (Note 2).....	\$6,194,436	
—oil and gas (net of withholding tax and operating expenses).....	5,843	
—sundry.....	5,874	
Rental (net of operating expenses).....	101,436	
Investment.....	6,944	\$6,314,533

EXPENSES

Cost of sales and administration expenses.....	\$5,919,221	
Directors' fees.....	200	
Interest on long term loans.....	31,148	
Outside exploration.....	1,066	
Depreciation of fixed assets (Note 3).....	4,152	
Amortization of oil and gas leaseholds (Note 6)	—	5,955,787

NET PROFIT BEFORE INCOME TAXES.....		\$ 358,746
Taxes on Income (Notes 3, 5 and 6).....		—
NET PROFIT FOR THE YEAR.....		<u>\$ 358,746</u>

CONSOLIDATED STATEMENT OF RETAINED EARNINGS
For the Year Ended December 31, 1963

Opening balance as at January 1, 1963.....		\$ 911,341
ADD:		
Net Profit for the Year.....		358,746
		<u>\$1,270,087</u>
DEDUCT:		
Losses on sales of investments (net).....	\$ 4,642	
Loss on sale of shares of the "Exchange and Investment Bank," Zurich, Switzerland (Note 9).....	335,723	
Loss from salvage operations for the year.....	2,514	342,879
Closing balance as at December 31, 1963.....		<u>\$ 927,208</u>

AUDITORS' REPORT

TO THE SHAREHOLDERS OF
BUFFALO ANKERITE HOLDINGS LIMITED:

We have examined the accompanying consolidated balance sheet of Buffalo Ankerite Holdings Limited and its wholly-owned subsidiary companies as at December 31, 1963 and the consolidated statements of earnings and retained earnings for the year ended on that date. The financial statement of these subsidiaries, with the report of their auditors, as set out in Note 1, has been accepted by us for inclusion in the accompanying consolidated financial statements. With respect to Buffalo Ankerite Holdings Limited, our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and the consolidated statements of earnings and retained earnings present fairly the financial position of the Company and its wholly-owned subsidiary companies as at December 31, 1963, and the results of their operations for the year ended on that date in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

WM. EISENBERG & CO.,

Toronto, Ontario,
February 19, 1964.

Chartered Accountants.

The accompanying notes form an integral part of the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 1963

1. Principles of Consolidation

The attached consolidated statements include the following wholly-owned subsidiary companies for the year ended December 31, 1963:—

Romfield Building Corporation, comprising 20 limited companies in the construction industry, acquired for 560,000 shares of Buffalo Ankerite Holdings Limited in January, 1963, and 2 companies acquired subsequent to January, 1963, and

Northbrook Town and Country, comprising 3 limited companies in the construction industry, acquired for 90,000 shares of Buffalo Ankerite Holdings Limited in February, 1963.

These have been consolidated with the Company's accounts based on statements prepared by other chartered accountants upon whose statements the Company has relied. All significant intercompany loans and transactions have been eliminated on consolidation.

2. Agreements for Sale

Sales of lots and houses are taken into income at the date of acceptance of offers received.

3. Fixed Assets

Rental Properties

The Company's investment in properties held for rental purposes is shown at cost. Inasmuch as the major portion of the buildings were constructed during the year under review, no depreciation has been provided in the accounts, but for income tax purposes the Company is deducting the maximum amounts allowable under Canadian income tax laws.

Equipment and Leasehold Improvements

Depreciation on equipment and leasehold improvements has been reflected in the accounts at maximum rates allowed under Canadian income tax laws, and allocated by management to the cost of various projects.

Mining Properties

The amounts shown for fixed assets are not intended to reflect present or future values.

4. Investment and Advances to Mining Subsidiaries

The Company's three inactive mining subsidiaries have not been consolidated herein as their assets, consisting almost entirely of mining properties and deferred expenditures, do not reflect present or future values. Of these subsidiaries, one has in prior years accumulated losses of which the Company's proportion is \$74,031 which is not reflected in the Company's accounts.

5. Taxes on Income

Taxable income has been reduced by approximately \$243,000 because of the availability of losses carried forward from prior years by the wholly-owned subsidiaries, and by approximately \$45,000 for the Company.

Current income taxes of approximately \$46,000 on the balance of taxable income have been offset by claiming for tax purposes more depreciation than was recorded in the accounts. This amount may be applicable to those future periods in which the amounts claimed for tax purposes will be less than the depreciation recorded in the accounts.

6. Amortization of Oil and Gas Leaseholds

No provision has been made in these statements for the amortization of the oil and gas leaseholds in Texas and New Mexico. For Canadian income tax purposes, the Company will deduct the maximum amounts allowed.

7. Alminex Limited

In order to make funds available by the Company to its construction subsidiaries, the directors pledged the shares of Alminex Limited in return for a bank loan of \$1,000,000, rather than outright sale of these shares. Pursuant to this decision, interest of \$47,000 on the bank loan to December 31, 1963 has been added to the cost of Alminex Limited as a carrying charge.

In January, 1964, these Alminex shares were sold for a total consideration of \$862,000, resulting in a profit of approximately \$492,000.

8. Accounts Payable

The Company has computed the estimated costs to complete the development and construction projects in progress and has included this liability in accounts payable.

9. Exchange and Investment Bank, Zurich, Switzerland

In January, 1963, the Company sold 3,300 shares of the Bank (15%) and assumed a \$50,000 loan from the Bank and in consideration therefor received 30,000 common shares of Exquisite Form Industries, Inc.

In December, 1963, the Company sold its remaining shares in the Bank for \$348,000 (U.S. Funds) upon the following conditions:

- (a) the purchaser agrees to pay the Company \$24,000 on July 1, 1964 and \$24,000 on October 1, 1964, with interest at 6% per annum.
- (b) the purchaser agrees to pay the 6% First Floating Charge Debentures of \$300,000, maturing in 1965, 1966 and 1967 and interest from January 23, 1964.
- (c) the vendor guarantees the accounts receivable of the Bank up to \$125,000 until January 23, 1965, but is entitled to an assignment of any debts so paid, and
- (d) the acceptance by the Toronto Stock Exchange in respect of the transaction.

During the year ended December 31, 1963, the Bank suffered a net operating loss (unaudited) of approximately \$20,000 which is not reflected in the Company's net profit for the year. The total operating loss of the Bank since acquisition has been included in the loss on the sale of the shares and has been charged directly to retained earnings.

10. 6% First Floating Charge Debentures

These debentures are payable \$100,000 (U.S. Funds) annually on the 23rd day of January, convertible prior to their respective maturities into 20,000 shares of the Company's capital stock for each \$100,000 principal amount of debentures held.

A maximum of 80,000 shares without par value are reserved for the conversion of the \$400,000 6% First Floating Charge Debentures.

